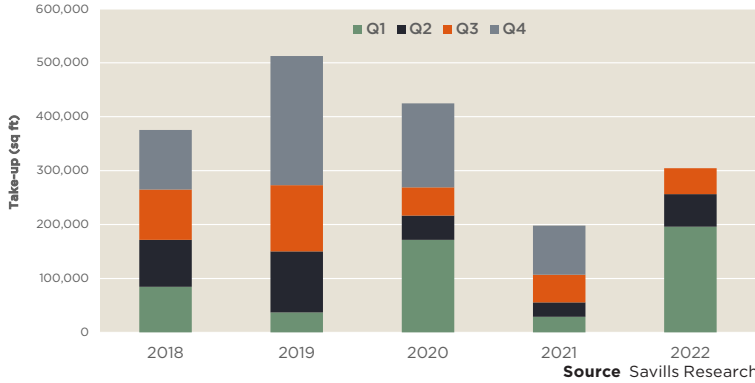


Aberdeen Occupational Office Data Q3 2022



Aberdeen Office Market Round Up

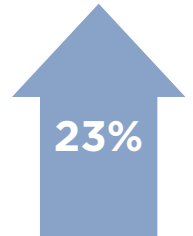
Take-up



Q3 take-up for the Aberdeen market totalled 48,000 sq ft spread across 19 completed lettings. This brings the 2022 Q1-Q3 total to 304,000 sq ft which already surpasses the annual total achieved in 2021 by 54% as the market looks to continue its recovery from the effects of Covid-19 pandemic.

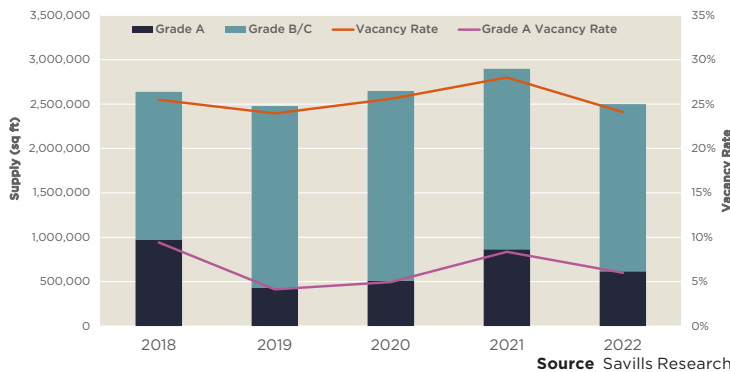
Grade A take-up in Q1-Q3 2022 was 160,000 sq ft which accounted for 53% of the take-up total. This represented a good return for a market which has recorded an annual average Grade A proportion of 35% over the last five years.

Take-up and supply Key data points



Q1-Q3 2022 take-up represented a 23% increase on the five-year Q1-Q3 average

Supply



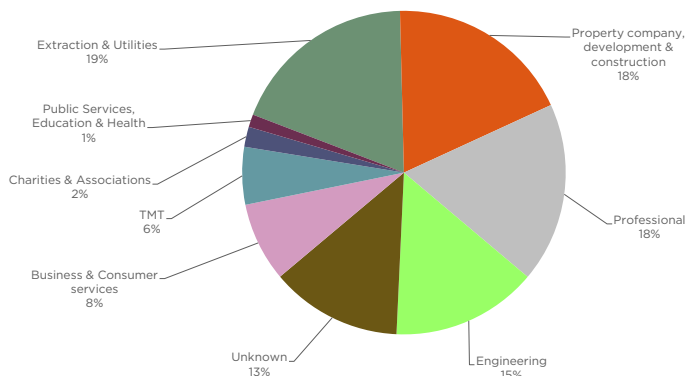
Total supply decreased by 4% in Q3 2022 to a total of 2.5 million sq ft. The Grade A supply level for the market decreased by 24% during the same period, standing at 615,000 sq ft at quarter end.

The total vacancy rate for Aberdeen has fallen 310 basis points in 2022 to 24.1%. Grade A vacancy rate has fallen 240 basis points so far this year to 6% at the end of Q3.



13 Completed transactions in Q3 2022. This is a 46% increase on Q3 2021

Take-up by business sector



'Extraction and Utilities' was the joint most active sector in Q3 accounting for 19% of total take-up. This included the 9,000 sq ft letting to Dolphin Drilling Limited which was the largest letting of the quarter.

Elsewhere, it was also a strong quarter for the 'Professional' sector which accounted for 18% of total take-up. This was spread across 4 deals, the largest of which was the 3600 sq ft letting to Grant Smith Law Practice in the city centre.

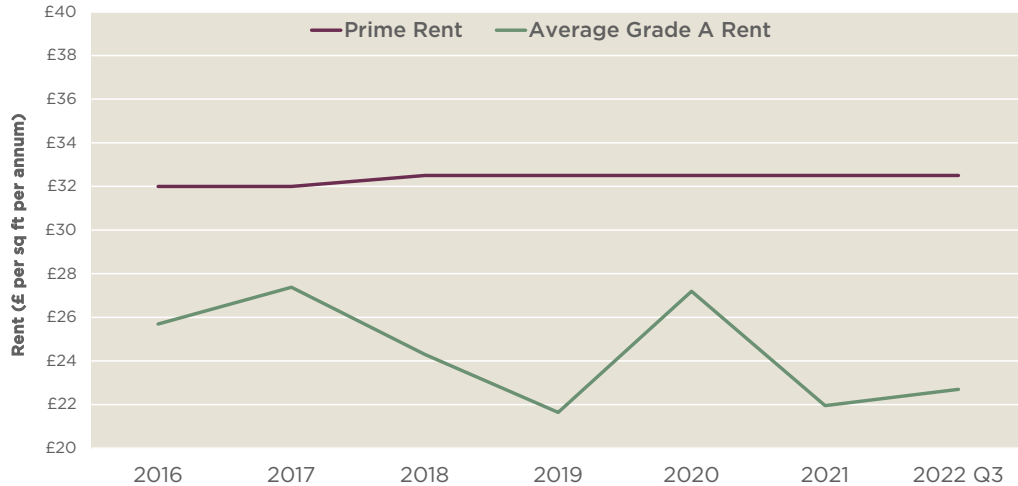


9,000 sq ft Largest deal in Q3 2022



'Extraction & Utilities' sector has been the most active in every year since 2018

Rents



Source Savills Research

There was no change in the prime rent in Q3 2022, which currently stands at £32.50 per sq ft. Between 2016 and 2022, prime rent has grown by 3.2% in the Aberdeen market. That being said, average Grade A rents have fluctuated during this period, reaching a high of £27.38 per sq ft in 2017 and hitting a low of £21.64 in 2019. So far in 2022, average Grade A rents have been £22.70 per sq ft, representing a 3% increase on the 2021 average.

Drivers For Growth



52%

Working age population with a NVQ level 4 or above qualification



229,000

Current population in Aberdeen



4th

In the UK for fewest poor air quality days a year

Source Centre for Cities

Key Market Data

	Data	Comparison to Q3 2021	Comparison to Q3 2019
Take-up Q3 2022 (sq ft)	47,926	-7%	-61%
Grade A Take-up Q3 2022 (sq ft)	9,000	-16%	+3%
Average Deal Size (median) (sq ft)	2,241	-25%	No change
10-Year Average Q3 Take-Up (sq ft)	166,352	-	-
5-Year Average Q3 Take-Up (sq ft)	81,473	-	-
Q3 Supply (sq ft)	2,499,203	-13%	-5%
Q3 Grade A Supply (sq ft)	615,961	-32%	-4%
Years of Supply*	6.6	-	-
Prime Rent	£32.50	No change	No change

*calculated by dividing total supply by 5-year average annual take up

Source Savills Research

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